

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



March 8, 2017

Melissa Rhodes – Board Chair  
Board of Directors  
Center for Refugees and Immigrants of Tennessee  
5100 Linbar Drive, Suite 101  
Nashville, TN 37211

Dear Ms. Rhodes:

Please find attached the Monitoring Report of the Center for Refugees and Immigrants of Tennessee relating to the contract it has with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2016.

The Office of Financial Accountability is charged with the responsibility of monitoring grant funds, including Community Enhancement Funds, from Metropolitan Nashville Government to any nonprofit organization. Staff from the Office of Financial Accountability completed the review on February 13, 2017.

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at 615-862-6712.

Sincerely,

*Kevin Brown*

Kevin Brown, CMFO, CICA, CFE  
Finance Administrator

cc: Tiffany Hodge, Board Member

Talia Lomax-O'dneal, Director of Finance  
Gene Nolan, Deputy Director of Finance  
Kim McDoniel, Deputy Director of Finance  
Phil Carr, Chief of Accounts  
Mark Swann, Internal Audit  
Fred Adom, CPA, CGMA, CICA, Director, Office of Financial Accountability  
Essie Robertson, CPA, CMFO, CICA, Office of Financial Accountability  
Matthew Fouad, Office of Financial Accountability



**Metropolitan Government of Nashville and Davidson County**

# **Center for Refugees and Immigrants of Tennessee**

**◆ Monitoring Report ◆**

Conducted by



**Office of Financial Accountability**

March 8, 2017

# MONITORING REPORT

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## INTRODUCTION

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The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of Center for Refugees and Immigrants of Tennessee (hereinafter referred to as “CRIT”). A monitoring review is substantially less in scope than an audit. The OFA did not audit the financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of the CRIT or any of its component units. The OFA is responsible for the internal monitoring of Metropolitan Government of Nashville and Davidson County (hereinafter referred to as “Metro”) agencies that receive federal and state financial assistance, including cooperative agreements and non-profit organizations that receive appropriations and Community Enhancement Funds from Metro government. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro government is subject to review by the OFA.

The purpose of this review was to assess the agency’s compliance with contractual requirements set forth in the following contract with Metro Government:

<b>Contract</b>	<b>Type</b>	<b>Amount</b>	<b>Contact Term</b>	
L-3447	Community Enhancement Funds	\$29,900	July 1, 2015	June 30, 2016

### **Agency Background**

The Center for Refugees and Immigrants of Tennessee provides opportunities that allow refugee and immigrant families to build happy and productive lives in their new home.

The vision of CRIT is to see refugees and immigrants leading self-sufficient and integrated lives in a welcoming and inclusive community environment.

Originally founded in 2000 as the Somali Community Center, the center has a rich history of serving the community and working with refugee and immigrant families as they rebuild their lives in Nashville. In 2009, the organization changed its name to the Center for Refugees and Immigrants of Tennessee and opened its doors to serve all refugees and immigrants.

## OBJECTIVES, SCOPE AND METHODOLOGY

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The objectives of our review were:

- 1) To determine whether the agency had the resources and capacity to administer the grant funds.
- 2) To determine if costs and services were allowable and eligible.
- 3) To verify that program objectives were met.
- 4) To test the reliability of the financial and programmatic reporting.
- 5) To verify contractual compliance.

The scope of our review was limited to the contract term July 1, 2015 through June 30, 2016.

The monitoring review procedures included meeting with agency management and staff, reviewing board minutes and obtaining written representations from management. In addition, we examined certain financial records and supporting documentation necessary to ensure compliance with contractual requirements set forth in contract L-3447. Specific procedures included:

- Interviewing the employees responsible for grant management, financial reporting and accountability.
- Reviewing supporting documentation of expenditures for allowability, necessity and reasonableness.
- Reviewing the agency's general ledger and verifying the accuracy of all invoices submitted to Metro.
- Reviewing documentation to determine that funds were used for intended beneficiaries and expended in accordance with the spending plan of the contract.
- Reviewing documentation to support program activities for consistency with grant requirements.
- Assessing the financial stability of the agency and its ability to continue to administer the grant program funded by Metro.

## RESULTS OF REVIEW

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### SUMMARY OF RESULTS

Criteria	Yes	No
Sufficient Resources and Capacity to Administer Funds?	✓	
Costs and Services Allowable and Eligible?		✓
Program Objectives Met?		✓
Reporting Requirements Met?		✓
Compliance with Civil Rights Requirements?	✓	

## RESULTS OF REVIEW

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The overall results of the monitoring review are provided in this section. Results are based on testwork performed and include conclusions regarding specific review objectives and, if applicable, recommendations for improvement and an action plan for implementation. Where applicable, the Findings and Recommendations section of this report provides more insight into any issues identified below.

### **1. Sufficient Resources and Capacity to Administer Grant Funds**

Our review of the agency's accounting system and the qualifications of the individuals assigned to manage the accounting records indicate that the agency possesses the necessary resources and professional expertise to effectively administer the grant funds.

### **2. Allowable and Eligible Costs and Services**

Our review covered all of the core compliance areas identified by 2 CFR Part 200: *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Additionally, the Metro Grants Manual requires separate accounting of the Metropolitan Nashville Government grant funds to prevent co-mingling of Metro Funds with other sources of funding. The agency is in compliance with this requirement. Different revenue classes as well as expenditure classes have been established to separately track the sources and amounts of funding. Also, the agency can easily and accurately report their expenses supported by the Metro Appropriation.

Based on our test work, the OFA was unable to obtain sufficient qualified documentation to conclude the agency utilized the grant funds to operate the grant program as stated within the grant contract. Therefore, the OFA has determined the cost reported was unallowable. See Finding #1 for more details.

### **3. Program and Performance Objectives**

The contract stipulates that the agency shall use the funds to provide a minimum of 90 unduplicated refugee and immigrant students from Antioch, Apollo, McMurray and Wright middle schools with homework help, tutoring in math, language arts,

## RESULTS OF REVIEW

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and English as a second language, Monday through Thursday at the five sites with the following outcomes:

- At least 75% of unduplicated RISE enrollees (67/90) will have an average daily attendance rate of 70% or higher.
- At least 50% of RISE enrollees (45/90) for which the BADER Reading and Language Inventory scores are available, will improve their scores in Reading or Language Comprehension.
- At least 3 program sites will improve RISE's program quality scores on at least two scales of the Youth Program Quality Assessment (YPQA).

The agency failed to provide program documentation to support stated outcomes. Therefore the agency was not in compliance with contractual program objectives. See Finding #1 for more details.

### **4. Reliability of Financial and Programmatic Reporting**

The contract requires submission of an annual audit report performed by a Certified Public Accountant. The contract also requires the agency to submit to Metro year end reports of the program outcome and a final expenditures report, no more than 45 days after the close of the contract.

We reviewed all applicable financial and programmatic reports required by the contract, including audited financial statements. The agency failed to provide sufficient qualified documentation to support the financial and programmatic reports submitted to Metro. See Finding #1 for more details.

### **5. Civil Rights Requirements**

Our review did not reveal anything to indicate that the agency was noncompliant with civil rights requirements. The agency also has necessary written policies and procedures relating to civil rights. The agency has not received any complaints regarding any form of discrimination. Further, civil rights and ADA postings are publicly displayed.

## FINDINGS AND RECOMMENDATIONS

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### **1. Failed to provide documentation to support program operations**

#### **Finding**

The Center for Refugees and Immigrants failed to maintain documentation to support program operations. The agency failed to provide a roster of program participants or documentation to support the required program outcomes as stated in the grant contract. Without program documentation, the OFA was unable to verify that the agency operated the grant program; therefore, the OFA could not conclude that the agency had earned the grant funds it received. As a result, the \$29,900.00, the agency reported as program expenditures has been deemed unallowable and should be refunded to Metro. Without the sufficient documentation, The OFA could not confirm the agency's compliance with programmatic and financial requirements of the grants and was unable verify the accuracy and reliability of the grant reports sent to Metro.

#### **Recommendation:**

The Center for Refugee and Immigrants of Tennessee should immediately refund the \$29,900.00 to Metro Nashville Davidson County Government. The CRIT should also take the necessary measures to maintain documentation to support program outcomes and program operations.

#### **Corrective Action Plan Required**

Please submit a corrective action plan indicating the actions the agency intends to take to correct the findings identified in this report. The corrective action plan should be submitted within 14 days from the report date to the address below:

Division of Grants Coordination  
PO Box 196300  
Nashville, TN 37219  
ATTN: Vaughn Wilson